



CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

May 7, 1998

H.R. 3534 **Mandates Information Act of 1998**

As ordered reported by the House Committee on Rules on May 6, 1998

The Congressional Budget Office (CBO) estimates that enacting this legislation would result in no significant costs to the federal government. The bill would not affect direct spending or receipts; therefore, pay-as-you-go procedures would not apply. H.R. 3534 contains no intergovernmental or private-sector mandates as defined in the Unfunded Mandates Reform Act of 1995 (UMRA) and would have no impact on the budgets of state, local, or tribal governments.

H.R. 3534 would amend the Congressional Budget Act to change certain duties of CBO under UMRA. Specifically, the bill would require CBO to provide additional information when it determines that a bill contains a private-sector mandate with costs exceeding the threshold established in UMRA. That information would include the impact of private-sector mandates on consumers, workers, and small businesses (including any disproportionate impact on particular regions or industries). Further, the bill would make legislation subject to a point of order if it included private-sector mandates with costs exceeding the threshold. Such costs would exclude amounts attributable to tax or tariff provisions, if those provisions did not raise net revenues over the first five fiscal years they were in effect.

Based on the experiences of CBO and the Joint Committee on Taxation (which provides CBO with revenue estimates) in carrying out the provisions of UMRA, CBO estimates that neither agency would incur significant additional costs to implement the changes that would be made by H.R. 3534. The number of bills containing private-sector mandates with costs exceeding the threshold is small, and the additional workload would not be substantial. (Any increase in costs would be subject to the availability of appropriated funds for CBO and the Joint Committee on Taxation.) In addition, CBO estimates that changes to Congressional procedures would not result in additional costs.

The CBO staff contact is Elliot Schwartz. This estimate was approved by Robert A. Sunshine, Deputy Assistant Director for Budget Analysis.